



General Assembly

**Substitute Bill No. 5093**

February Session, 2006

\* HB05093FIN 040506 \*

**AN ACT CONCERNING PROPERTY TAX RELIEF FOR CERTAIN  
ELDERLY HOMEOWNERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1       Section 1. (NEW) (*Effective October 1, 2006, and applicable to assessment*  
2       *years commencing on or after October 1, 2006*) (a) Any municipality, upon  
3       approval of its legislative body or in any town in which the legislative  
4       body is a town meeting, by the board of selectmen may provide that an  
5       owner of real property or any tenant for life or for a term of years  
6       liable for property taxes under section 12-48 of the general statutes  
7       who meets the qualifications stated in this subsection shall be entitled  
8       to pay the tax levied on such property, calculated in accordance with  
9       the provisions of subsection (b) of this section for the first year the  
10      claim for such tax relief is filed and approved in accordance with the  
11      provisions of section 2 of this act, and such person shall be entitled to  
12      continue to pay the amount of such tax or such lesser amount as may  
13      be levied in any year, during each subsequent year that such person  
14      meets such qualifications, and the surviving spouse of such owner or  
15      tenant, qualified in accordance with the requirements pertaining to a  
16      surviving spouse in this subsection, or any owner or tenant possessing  
17      a joint interest in such property with such owner at the time of such  
18      owner's death and qualified at such time in accordance with the  
19      requirements in this subsection, shall be entitled to continue to pay the  
20      amount of such tax or such lesser amount as may be levied in any year,

21 as it becomes due each year following the death of such owner for as  
22 long as such surviving spouse or joint owner or joint tenant is qualified  
23 in accordance with the requirements in this subsection. After the first  
24 year a claim for such tax relief is filed and approved, application for  
25 such tax relief shall be filed biennially on a form prepared for such  
26 purpose by the assessor of such municipality. Any such owner or  
27 tenant who is qualified in accordance with this section and any such  
28 surviving spouse or joint owner or joint tenant surviving upon the  
29 death of such owner or tenant, shall be entitled to pay such tax in the  
30 amount as provided in this section for so long as such owner or tenant  
31 or such surviving spouse or joint owner or joint tenant continues to be  
32 so qualified. To qualify for the tax relief provided in this section a  
33 taxpayer shall meet all the following requirements: (1) On December  
34 thirty-first of the calendar year preceding the year in which a claim is  
35 filed, be (A) seventy years of age or over, (B) the spouse of a taxpayer,  
36 seventy years of age or over, provided such spouse is domiciled with  
37 such taxpayer, or (C) sixty-two years of age or over and the surviving  
38 spouse of a taxpayer who at the time of such taxpayer's death had  
39 qualified and was entitled to tax relief under this section, provided  
40 such surviving spouse was domiciled with such taxpayer at the time of  
41 the taxpayer's death, (2) occupy such real property as his or her home,  
42 (3) either spouse shall have resided within this state for at least one  
43 year before filing the claim under this section and section 2 of this act,  
44 (4) the taxable and nontaxable income of such taxpayer, the total of  
45 which shall hereinafter be called "qualifying income", in the tax year of  
46 such homeowner ending immediately preceding the date of  
47 application for benefits under the program in this section, was not in  
48 excess of limits set forth in section 12-170aa of the 2006 supplement to  
49 the general statutes, as adjusted annually, evidence of which income  
50 shall be submitted to the assessor in the municipality in which  
51 application for benefits under this section is filed in such form and  
52 manner as the assessor may prescribe. The amount of any Medicaid  
53 payments made on behalf of such homeowner or the spouse of such  
54 homeowner shall not constitute income. The income of the spouse of  
55 such homeowner shall not be included in the qualifying income of

56 such homeowner for purposes of determining eligibility for tax relief  
57 under this section, if such spouse is a resident of a health care or  
58 nursing home facility in this state, and such facility receives payment  
59 related to such spouse under the Title XIX Medicaid program. In  
60 addition to the eligibility requirements prescribed in this subsection,  
61 any municipality that provides tax relief in accordance with the  
62 provisions of this section may impose asset limits as a condition of  
63 eligibility for such tax relief.

64 (b) The tax on the real property for which the benefits under this  
65 section are claimed shall be the lower of: The tax due with respect to  
66 the homeowner's residence for the assessment year commencing  
67 October first of the year immediately preceding the year in which the  
68 initial claim for tax relief is made, or the tax due for any subsequent  
69 assessment year. If title to real property is recorded in the name of the  
70 person or the spouse making a claim and qualifying under this section  
71 and any other person or persons, the claimant hereunder shall be  
72 entitled to pay the claimant's fractional share of the tax on such  
73 property calculated in accordance with the provisions of this section,  
74 and such other person or persons shall pay the person's or persons'  
75 fractional share of the tax without regard for the provisions of this  
76 section. For the purposes of this section, a "mobile manufactured  
77 home", as defined in section 12-63a of the general statutes, shall be  
78 deemed to be real property.

79 (c) If any person with respect to whom a claim for tax relief in  
80 accordance with this section and section 2 of this act has been  
81 approved for any assessment year transfers, assigns, grants or  
82 otherwise conveys subsequent to the first day of October, but prior to  
83 the first day of August in such assessment year the interest in real  
84 property to which such claim for tax relief is related, regardless of  
85 whether such transfer, assignment, grant or conveyance is voluntary or  
86 involuntary, the amount of such tax relief benefit, determined as the  
87 amount by which the tax payable without benefit of this section  
88 exceeds the tax payable under the provisions of this section, shall be a  
89 pro rata portion of the amount otherwise applicable in such

90 assessment year to be determined by a fraction the numerator of which  
91 shall be the number of full months from the first day of October in  
92 such assessment year to the date of such conveyance and the  
93 denominator of which shall be twelve. If such conveyance occurs in the  
94 month of October the grantor shall be disqualified for such tax relief in  
95 such assessment year. The grantee shall be required within a period  
96 not exceeding ten days immediately following the date of such  
97 conveyance to notify the assessor thereof, or in the absence of such  
98 notice, upon determination by the assessor that such transfer,  
99 assignment, grant or conveyance has occurred, the assessor shall  
100 determine the amount of tax relief benefit to which the grantor is  
101 entitled for such assessment year with respect to the interest in real  
102 property conveyed and notify the tax collector of the reduced amount  
103 of such benefit. Upon receipt of such notice from the assessor, the tax  
104 collector shall, if such notice is received after the tax due date in the  
105 municipality, no later than ten days thereafter mail or hand a bill to the  
106 grantee stating the additional amount of tax due as determined by the  
107 assessor. Such tax shall be due and payable and collectible as other  
108 property taxes and subject to the same liens and processes of  
109 collection, provided such tax shall be due and payable in an initial or  
110 single installment not sooner than thirty days after the date such bill is  
111 mailed or handed to the grantee and in equal amounts in any  
112 remaining, regular installments as the same are due and payable.

113       Sec. 2. (NEW) (*Effective October 1, 2006, and applicable to assessment*  
114 *years commencing on or after October 1, 2006*) (a) No claim shall be  
115 accepted under section 1 of this act unless the taxpayer or authorized  
116 agent of such taxpayer files an application with the assessor of the  
117 municipality in which the property is located, in such form and  
118 manner as the assessor may prescribe, during the period from  
119 February first to and including May fifteenth of any year in which  
120 benefits are first claimed, including such information as is necessary to  
121 substantiate such claim in accordance with requirements in such  
122 application. A taxpayer may make application to the assessor prior to  
123 August fifteenth of the claim year for an extension of the application

124 period. The assessor may grant such extension in the case of  
125 extenuating circumstance due to illness or incapacitation as evidenced  
126 by a physician's certificate to that extent, or if the assessor determines  
127 there is good cause for doing so. The taxpayer shall present to the  
128 assessor a copy of such taxpayer's federal income tax return and the  
129 federal income tax return of such taxpayer's spouse, if filed separately,  
130 for such taxpayer's taxable year ending immediately prior to the  
131 submission of the taxpayer's application, or if not required to file a  
132 federal income tax return, such other evidence of qualifying income in  
133 respect to such taxable year as the assessor may require. Each such  
134 application, together with the federal income tax return and any other  
135 information submitted in relation thereto, shall be examined by the  
136 assessor and a determination shall be made as to whether the  
137 application is approved. Upon determination by the assessor that the  
138 applying homeowner is entitled to tax relief in accordance with the  
139 provisions of section 1 of this act and this section, the assessor shall  
140 notify the homeowner and the municipal tax collector of the approval  
141 of such application. The municipal tax collector shall determine the  
142 maximum amount of the tax due with respect to such homeowner's  
143 residence and thereafter the property tax with respect to such  
144 homeowner's residence shall not exceed such amount. After a  
145 taxpayer's claim for the first year has been filed and approved such  
146 taxpayer shall file such an application biennially. In respect to such  
147 application required after the filing and approval for the first year the  
148 assessor in each municipality shall notify each such taxpayer  
149 concerning application requirements by regular mail not later than  
150 February first of the assessment year in which such taxpayer is  
151 required to reapply, enclosing a copy of the required application form.  
152 Such taxpayer may submit such application to the assessor by mail  
153 provided it is received by the assessor not later than March fifteenth in  
154 the assessment year with respect to which such tax relief is claimed.  
155 Not later than April first of such year the assessor shall notify, by  
156 certified mail, any such taxpayer for whom such application was not  
157 received by said March fifteenth concerning application requirements  
158 and such taxpayer shall submit not later than May fifteenth such

159 application personally or for reasonable cause, by a person acting in  
160 behalf of such taxpayer as approved by the assessor.

161 (b) Any person knowingly making a false application for the  
162 purpose of claiming property tax relief under section 1 of this act and  
163 this section shall be fined not more than five hundred dollars. Any  
164 person who fails to disclose all matters relating thereto or with intent  
165 to defraud makes a false statement shall refund to the municipality all  
166 tax relief improperly taken.

167 (c) Any municipality providing property tax relief under section 1 of  
168 this act and this section may establish a lien on such property in the  
169 amount of the total tax relief granted, plus interest applicable to the  
170 total of unpaid taxes represented by such tax relief, at a rate to be  
171 determined by such municipality. Any such lien shall have a priority  
172 in the settlement of such person's estate.

173 (d) Any such property tax relief granted to any such resident in  
174 accordance with the provisions of section 1 of this act and this section  
175 shall not disqualify such resident with respect to any benefits for  
176 which such resident shall be eligible under the provisions of sections  
177 12-129b to 12-129d, inclusive, of the 2006 supplement to the general  
178 statutes, section 12-129n and section 12-170aa of the 2006 supplement  
179 to the general statutes and any such property tax relief provided under  
180 this section shall be in addition to any such benefits for which such  
181 resident shall be eligible under said sections 12-129b to 12-129d,  
182 inclusive, and sections 12-129n and 12-170aa.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	New section
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Sec. 2	<i>October 1, 2006, and applicable to assessment years commencing on or after October 1, 2006</i>	New section
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**AGE**      *Joint Favorable C/R*      FIN

**FIN**      *Joint Favorable Subst.*